

Missouri Office of Administration

FY06 Strategic Plan





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Bob Holden
Governor

Jacquelyn D. White
Commissioner

State of Missouri

OFFICE OF ADMINISTRATION

Commissioner's Office

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October 1, 2004

The Honorable Bob Holden
Governor, State of Missouri
Executive Office, State Capitol
Jefferson City, Missouri

Dear Governor Holden:

Last year the talented and inventive employees of the Office of Administration once again met the challenge to find savings and create efficiencies in state government. We are pleased that our demonstration of leadership in better managing the use of state resources continues to improve.

Highlights of achievements in FY04 include:

- *2004 Governor's Award for Quality and Productivity* awarded to the MRI Mail Team for reducing annual mailing costs by over \$1.8 million and reducing mail volume by 12%.
- *2004 Governor's Award for Quality and Productivity* awarded to the Charitable Campaign Team for enhancing employee privacy, improving operations and fiscal accountability, increasing employee participation by 15%, and reducing overall administrative costs by 24%.
- St. Louis Regional Convention and Sports Complex Authority refinanced their debt, which generated a \$9.4 million cash payment to the State of Missouri.
- Board of Fund Commissioners issued the Series A 2003 Refunding, which realized a debt service savings of \$11.4 million.
- Implemented the *Missouri Smart Buy Program* to ensure the proper mix of quality, service and price on the procurement of goods and services.
- Released the *State of Minority Business Report* highlighting the achievements of this administration in fostering economic opportunities in state government for minority businesses.
- Developed new budget documents for FY06 as a result of an interagency improvement project, with a goal of decreasing time spent on budget preparation and increasing customer satisfaction with the budget documents.
- Transferred Missouri Assistive Technology Council and Governor's Council on Disability from Department of Labor and Industrial Relations and Minority Business Advocacy Commission from the Department of Economic Development to Office of Administration per Executive Orders 04-05 and 03-06, respectively.
- Fully staffed the Office of the Child Welfare Ombudsman established under Executive Order 02-22.
- Disparity Study Oversight Review Committee issued report assessing the Minority/Women Business Enterprise program and recommending five strategies to increase M/WBE participation in the state.
- Implemented the early retirement incentive plan for state employees.
- Enhanced downtown revitalization and historic preservation efforts with regard to leased state offices per Executive Order 01-22.



The Honorable Bob Holden

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- Created a "Best Practices" document for agencies to use in a self-audit of telecommunication services.
- Re negotiated a new Plexar contract with Southwestern Bell Communications for local service for an annual savings of \$1,200,000.
- Enrolled over 13,000 Missourians in a new program, SHAPE UP MISSOURI, an eight week fitness challenge designed to encourage physical activity with the desired goal of reducing obesity and related chronic diseases..

The fiscal year 2006 Office of Administration Strategic Plan follows the roadmap for improved business functioning established in 2003, which citizens can understand. Measurable cost savings and business processes have been identified, and we continue our commitment to showing taxpayers that their dollars are spent wisely and prudently.

Sincerely,

Jacquelyn D. White

Commissioner



Vision Statement

The Office of Administration shall be recognized for its leadership role in performing administrative services and establishing administrative standards in a manner that is efficient, effective and customer-focused.

Mission Statement

The Office of Administration performs administrative services and establishes administrative standards for state agencies, our primary customers, helping them fulfill their missions.

Values

We recognize our **LEADERSHIP** role in providing **EFFECTIVE** and **RESPONSIBLE** government to the citizens of Missouri.

We value:

- Excellence in performance
- Efficiency and accountability in government
- Continuous improvement in operations

We will be **RESPONSIVE** to the needs of our customers.

We value:

- Consistently high quality service to customers
- Timely, easy to use service
- Rewards based on performance results and customer satisfaction

We will perform our responsibilities with **INTEGRITY** and **PROFESSIONALISM**.

We value:

- Participation in public service
- High professional and ethical standards
- Fair and open government

We are committed to **PERSONAL GROWTH** and **ORGANIZATIONAL DEVELOPMENT** and will seek ways of constantly expanding our capabilities.

We value:

- Each employee and their contribution to the success of OA
- A competent, skilled organization
- Continuing personal and professional development

We recognize the benefits of **DIVERSITY** in our workforce and will continue efforts in recruitment, promotion and retention toward this goal.

We value:

- The worth and dignity of each member of our organization
- Respect for our differences
- Maximizing the potential of our workforce



Priority Results for Missourians

Our state continues to lead the nation in Managing for Results. The Managing for Results initiative is a management tool for the Governor and his cabinet to help keep government focused on results and to drive meaningful improvements for citizens. The Managing for Results effort encourages fact-based decision making and innovation and recognizes the need for agencies to work together to drive significant improvements.

Managing for Results will lead to:

- Better performance on high priority results
- Agencies collaborating to improve their performance
- Increased accountability for Missouri citizens
- Cost savings
- Reduced burden on citizens
- Increased diversity in state government

Three goals have been established with specific results and corresponding measures identified for each goal. The measures provide a means for identifying historical trends, monitoring recent progress, and when possible, comparing Missouri to the nation as a whole. The following three goals illustrate Governor Holden's commitment to ensuring that:

| <i>Missouri is a Leader in Education</i> | <i>Missouri is Developing a 21st Century Economy</i> | <i>Missouri is a Safe, Healthy Place to Live and Work</i> |
|--|--|--|
| <p>Result:</p> <ul style="list-style-type: none"> ➤ Increased percentage of children prepared for kindergarten ➤ Increased percentage of students scoring proficient or higher on MAP tests ➤ Increased percentage of 18-year-olds with a high school diploma or GED <p>Success Predictors:</p> <ul style="list-style-type: none"> ➤ Parents participating in Parents as Teachers program ➤ Children not abused or neglected ➤ Children participating in a quality early childhood experience ➤ K-3rd graders in classes with 15-20 students ➤ Use of technology in the classroom ➤ High quality teachers ➤ School attendance ➤ Youth involved in extra-curricular and community activities ➤ Teens not getting pregnant ➤ Students without substance abuse | <p>Result:</p> <ul style="list-style-type: none"> ➤ Increased level of per capita income ➤ Decreased rate of unemployment ➤ Increased percentage of people with incomes above 100% of the poverty level <p>Success Predictors:</p> <ul style="list-style-type: none"> ➤ Missourians with under-graduate or technical degrees ➤ Improved net farm income ➤ High wage jobs ➤ Higher rates of employment among persons with disabilities ➤ Thriving businesses ➤ Economic health of the community ➤ Safe and sound financial institutions ➤ High quality transportation infrastructure ➤ Representation for all citizens in the economy | <p>Result:</p> <ul style="list-style-type: none"> ➤ Decreased rates of crimes against persons ➤ Decreased rates of crimes against property ➤ Increased percentage of births resulting in healthy birth-weight babies ➤ Decreased impact of chronic diseases ➤ Increased life expectancy <p>Success Predictors:</p> <ul style="list-style-type: none"> ➤ Few repeat offenders (recidivism rate) ➤ Less juvenile crime ➤ Mothers accessing pre-natal care ➤ Mothers not smoking or abusing drugs during pregnancy ➤ Higher immunization rates ➤ Lower rates of chronic risk factors (smoking, obesity, etc.) ➤ Missourians with health insurance ➤ Missourians not living in poverty ➤ Clean air and water ➤ People with mental illnesses moving towards recovery |



Key Outcomes and Objectives

The OA Executive Management Team charted the department's course in FY04. Following the Managing for Results principle, consideration was given to the needs and expectation of our customers, our employees, the department and the pressing need to adapt to a fluid budget. These key priorities continue to guide our activities and decision-making for FY06. The targets for improved performance fall into four categories: cost, value, ease of use and time, and fairness.

Outcome #1: Increase effectiveness of business operations

- Establish workforce planning analysis to determine needs of state government
- Increase the skills and training of state government's current workforce to better serve Missouri citizens
- Increase cyber security to ensure the integrity of the State's business operations

Outcome #2: Increase efficiency of business operations

- Complete business reform initiative in key areas
- Reduce the time to place an applicant on the register
- Establish systematic financial analyses and tools
- Reduce owner requested changes during design and/or construction phase of capital improvement projects
- Increase the capacity to use electronic commerce for various procurement services
- Enact legislation to transition from twice-a-month payroll to bi-weekly payroll
- Decrease agency staff time spent on budget forms
- Reduce time to process employee classifications
- Reduce processing time on MBE/WBE certifications and appeals
- Maximize space efficiency

Outcome #3: Increase the Complement of Valued Products and Services

- Institute customer-focused culture/obtain baseline information
- Improve communication with citizens, agency customers and stakeholders

Outcome #4: Fair representation of all citizens in workforce and procurement

- Increase annually the percent of minority employees in all salary quartiles and the percent of non-minority female employees in the top salary quartile
- Increase annually the percent of purchases from minority and women owned businesses

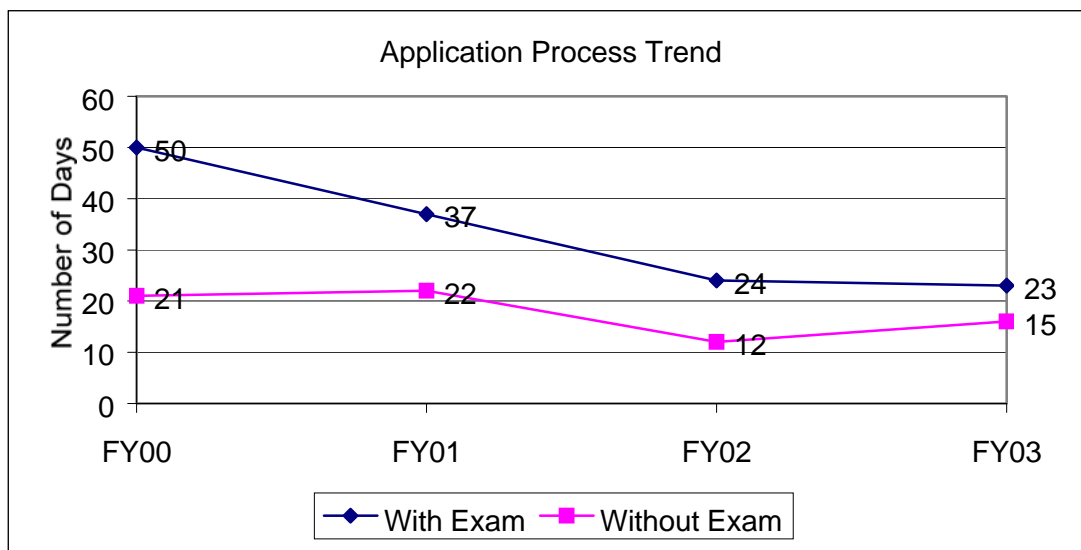


Key Charts, Graphs and Data Tables

Objective: Reduce the time to place an applicant on the register

| Data | Historical | | | | | Target | |
|------------------------------------|------------|---------|---------|---------|---------|---------|---------|
| | FY00 | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 |
| Jobs Applied For | 106,423 | 90,575 | 89,274 | 95,590 | 89,280 | 95,000 | 95,500 |
| Applications Received | 31,173 | 28,473 | 26,815 | 28,402 | 25,899 | 28,000 | 28,500 |
| Individual Applicants | 29,879 | 27,065 | 25,770 | 27,035 | 24,898 | 26,000 | 26,500 |
| Number of Names Added to Registers | 24,970 | 23,221 | 22,004 | 22,743 | 20,527 | 22,000 | 22,750 |
| Classes Added to Registers | 47,160 | 41,316 | 38,467 | 38,765 | 35,063 | 38,000 | 38,500 |
| Appointments from Registers | 7,019 | 7,005 | 6,447 | 5,784 | 5,114 | 5,700 | 5,900 |
| Time to hire with written exam * | 50 days | 37 days | 24 days | 23 days | 26 days | 20 days | 18 days |

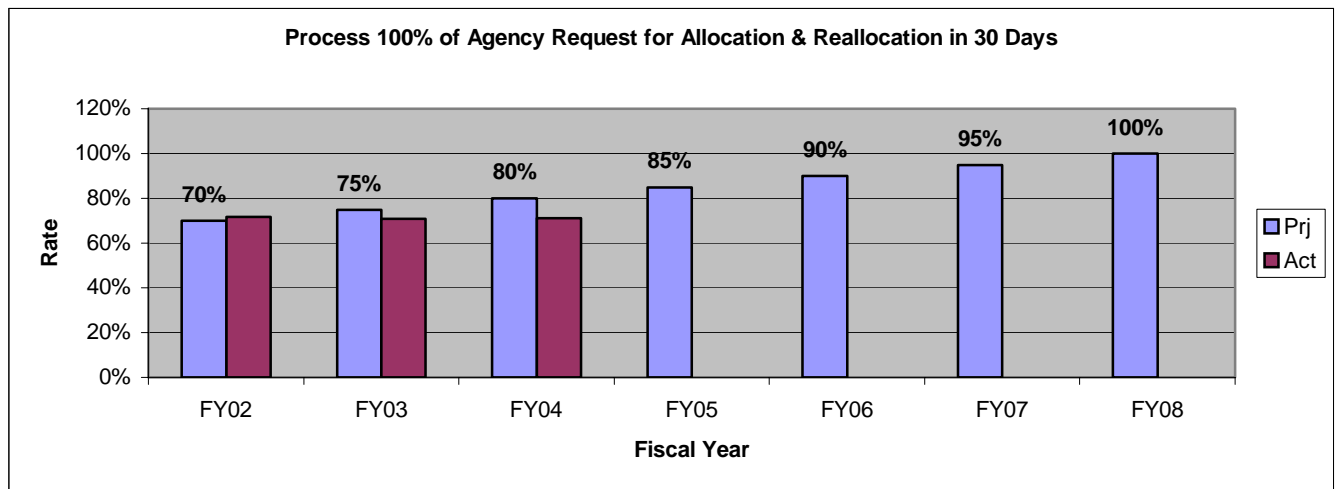
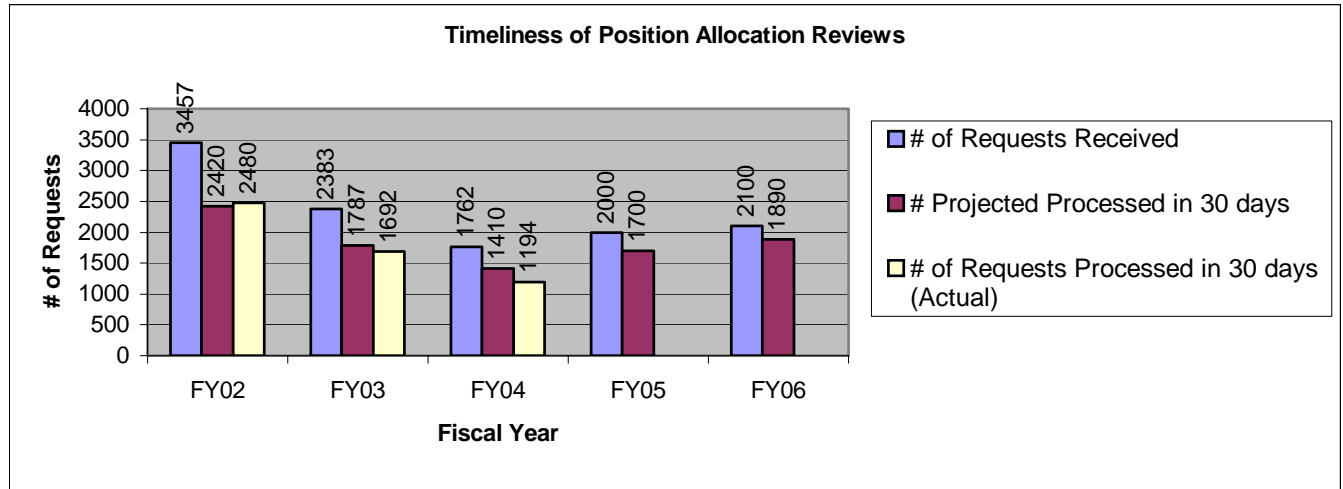
* A number of factors affected the decrease in days. In FY00, 250 of the 450 open continuous job classifications were closed due to low numbers of new hires. In FY 01, an additional 100 job classes were closed. In addition, job duties of personnel analysts were reallocated and rating sheets updated to allow analysts to evaluate applications more quickly and accurately.





Key Charts, Graphs and Data Tables, continued...

Objective: Reduce the time to process employee classifications



The number of positions allocated or reallocated is a key measure of service delivery identified by the Employee Services Section for the division's strategic plan. During FY02 the Employee Services Section processed 3,457 requests for allocation and reallocation. 72% of those requests were processed within 30 days. In FY03, 2,383 requests were processed (71% were processed within 30 days) and in FY04 the section processed 1,762 requests (71% were processed within 30 days). It is projected that the Employee Services Section will process 1,700 requests in FY05 (72% within 30 days) and 1,890 requests in FY06 (80% within 30 days). Due to reductions in staff the division has only been able to maintain a processing rate.



Key Charts, Graphs and Data Tables, continued...

Objective: Reduce owner requested changes (drift) during design and/or construction phase of capital improvement projects* (Desired ratio is 1.00)

| Measure | Historical | | | | | | | | Target | |
|--------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
| | FY01 | | FY 02 | | FY03 | | FY04 | | FY05 | |
| Change Ratio | Contract Change Ratio | Scope Change Ratio | Contract Change Ratio | Scope Change Ratio | Contract Change Ratio | Scope Change Ratio | Contract Change Ratio | Scope Change Ratio | Contract Change Ratio | Scope Change Ratio |
| Agency | | | | | | | | | | |
| ADA | 0.9416 | N/A | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0 | 0 | 1.0100 | 1.0000 |
| DA | 1.0945 | N/A | 1.1000 | 1.1578 | 1.0000 | 1.0000 | 1.0656 | 0.807 | 1.0100 | 1.0000 |
| DOC | 0.9726 | N/A | 1.0654 | 0.9409 | 1.0706 | 0.8296 | 1.0391 | 0.663 | 1.0100 | 1.0000 |
| DED | 1.1564 | N/A | 1.1117 | 0.8328 | 1.0000 | 0.8383 | 0 | 0 | 1.0100 | 1.0000 |
| DESE | 1.0995 | N/A | 1.0167 | 0.9346 | 1.0713 | 0.8450 | 1.0313 | 0.261 | 1.0100 | 1.0000 |
| DOLIR | 0.0000 | N/A | 1.2114 | 0.9541 | 1.0000 | 0.2395 | 0 | 0 | 1.0100 | 1.0000 |
| Senate | 13.3615 | N/A | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0 | 0 | 1.0100 | 1.0000 |
| DMH | 1.1341 | N/A | 1.0488 | 0.7368 | 1.0818 | 0.6166 | 0.8140 | 0.848 | 1.0100 | 1.0000 |
| DNR | 1.0658 | N/A | 1.0958 | 1.2663 | 1.0575 | 1.1701 | 1.0467 | 1.395 | 1.0100 | 1.0000 |
| OA | 1.1842 | N/A | 1.0853 | 0.5161 | 1.0291 | 1.0000 | 1.0754 | 1.756 | 1.0100 | 1.0000 |
| DPS | 1.0458 | N/A | 1.0656 | 1.2065 | 1.0620 | 0.7190 | 1.0557 | 1.126 | 1.0100 | 1.0000 |
| DOR | 1.0000 | N/A | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0 | 0 | 1.0100 | 1.0000 |
| DSS | 0.9800 | N/A | 0.8323 | 0.9875 | 1.0428 | 0.9743 | 1.0364 | 1.159 | 1.0100 | 1.0000 |
| MoDOT | 0.0000 | N/A | 1.0000 | 1.1249 | 0.0000 | 0.0000 | 0 | 0 | 1.0100 | 1.0000 |

Contract Change Ratio Equals $\frac{\text{Final construction contract value (\$)}}{\text{Total of all original construction contract values (\$)}}$
(=)

Scope Change Ratio Equals $\frac{\text{Total of all final construction contract value (\$)}}{\text{Total of all original allowable for construction (\$)}}$
(=)

***Drift** is the change in the scope of work of a capital improvement project from the time the project is appropriated to the time construction is complete. A capital improvement appropriation is based upon an estimate of probable cost for a specific scope of work. If the owner changes the scope of work, the cost of the project will change accordingly. Since the appropriation amount is "fixed," a change in scope causes budget adjustments not contemplated originally. As an example, an agency changes their idea of what needs to be done or wants to increase the work, i.e. instead of replacing 1000 sq. ft. of floor tile they want to replace 1250 sq. ft. This increase in scope results in an increase in cost. Tracking changes in cost for owner requested changes is a measure of this "drift." If there are no changes, the ratios above would be 1.00, if they add more work (scope) the ratios are greater than one, i.e. 1.20. Less work, when requirements are deleted from the project, the ratios are less than 1.00 i.e. 0.90. The desired ratio is 1.00. The contract change ratio is during construction. The scope change is total project.



Key Charts, Graphs and Data Tables, continued...

Objective: Maximize space efficiency

Vacancy Rate - The State of Missouri Vacancy Rate for facilities will be comparable to or below the vacancy rate for GSA, BOMA and the private sector.

| | 2004 | 2003 | 2003 | 2003 |
|--------|----------|------|------|-------|
| | Missouri | BOMA | GSA | SIOR |
| Owned | 1.2% | 9.7% | 3.9% | 11.7% |
| Leased | 1.2% | 9.7% | 3.9% | 11.7% |

BOMA - Building Owners and Managers Assoc. Intl.
GSA - U.S. General Services Administration
SIOR - Society of Industrial and Office Realtors

Square footage per FTE:

Leased square footage per person (office space only)

| FY | Headcount | Useable SF | Useable SF per Person | Rentable SF | Rentable SF per Person |
|------|-----------|------------|-----------------------|-------------|------------------------|
| 2003 | 13,112 | 3,244,345 | 247 | 3,816,876 | 291 |
| 2004 | 13,107 | 2,950,296 | 225 | 3,470,937 | 265 |
| 2005 | | | *target | | *target |
| 2006 | | | *target | | *target |

*Targets to be determined by consultants Fall 2004

State Owned Square Footage Per Person

| FY | Headcount | Useable SF | Useable SF per Person | Rentable SF | Rentable SF per Person |
|------|-----------|------------|-----------------------|-------------|------------------------|
| 2003 | 8,511 | 2,180,659 | 256 | 3,082,170 | 362 |
| 2004 | ** | ** | ** | ** | ** |
| 2005 | | | *target | | *target |
| 2006 | | | *target | | *target |

**Data available October 2004

*Targets to be determined by consultants Fall 2004

Leased and Owned Space Combined

| FY | Headcount | Useable SF | Useable SF per Person | Rentable SF | Rentable SF per Person |
|------|-----------|------------|-----------------------|-------------|------------------------|
| 2003 | 21,623 | 5,425,004 | 251 | 6,899,046 | 319 |
| 2004 | 13,107 | 2,950,296 | 225 | 3,470,937 | 265 |
| 2005 | | | *target | | *target |
| 2006 | | | *target | | *target |

*Targets to be determined by consultants Fall 2004

Note 1: Net Rentable SF is a SF calculation based on the interior face of the exterior walls with deductions for vertical penetrations and mechanical rooms.

Net Useable SF is a SF calculation based on further deductions of space such as restrooms, public corridors, building lobbies, and other office space used for program delivery, such as family rooms, visitation rooms, hearing rooms, interview rooms, training and testing rooms, labs, libraries and conference rooms.

Note 2: It is preferable to calculate space needs on the basis of useable square feet, due to the fact that rentable SF includes inefficiencies in building layout, which can lead to substantial deficiencies in actual area available for planning. However, it is more common to discuss building inventory in terms of rentable SF when discussing leased space.

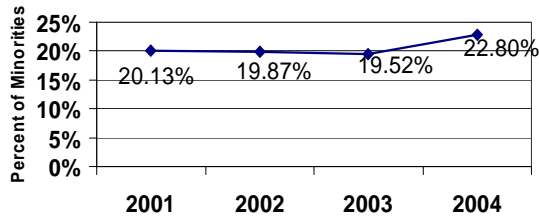
Note 3: The State Capitol Building is included in owned space data.



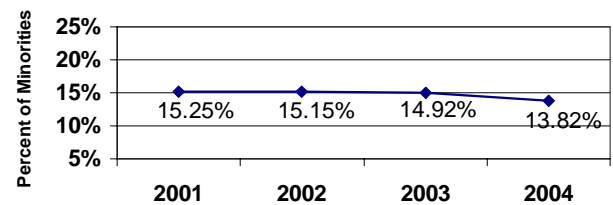
Key Charts, Graphs and Data Tables, continued...

Objective: Increase annually the percent of minority employees in all salary quartiles and the percent of non-minority female employees in the top salary quartile

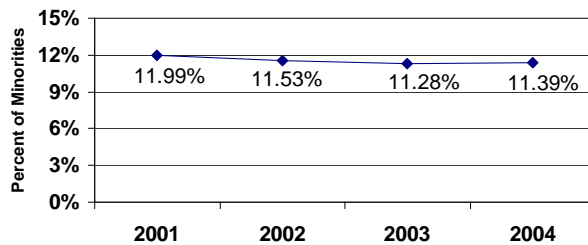
Percent of Minority State Employees
Earning in the First Quartile



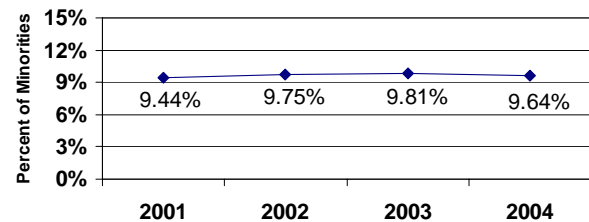
Percent of Minority State Employees
Earning in the Second Quartile



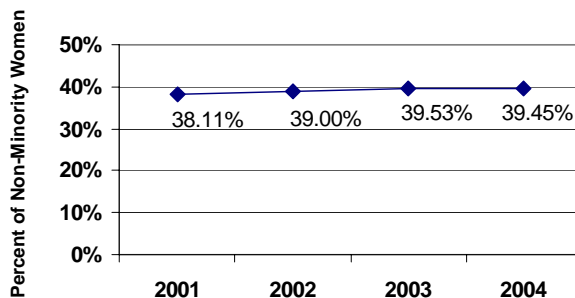
Percent of Minority State Employees
Earning in the Third Quartile



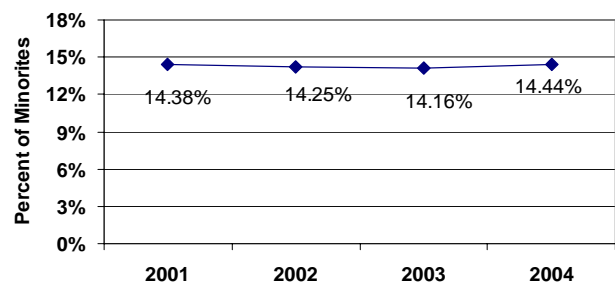
Percent of Minority State Employees
Earning in the Fourth Quartile



Percent of Non-Minority Women State
Employees Earning in the Fourth Quartile



Percent of Minority State Employees
All Salaries

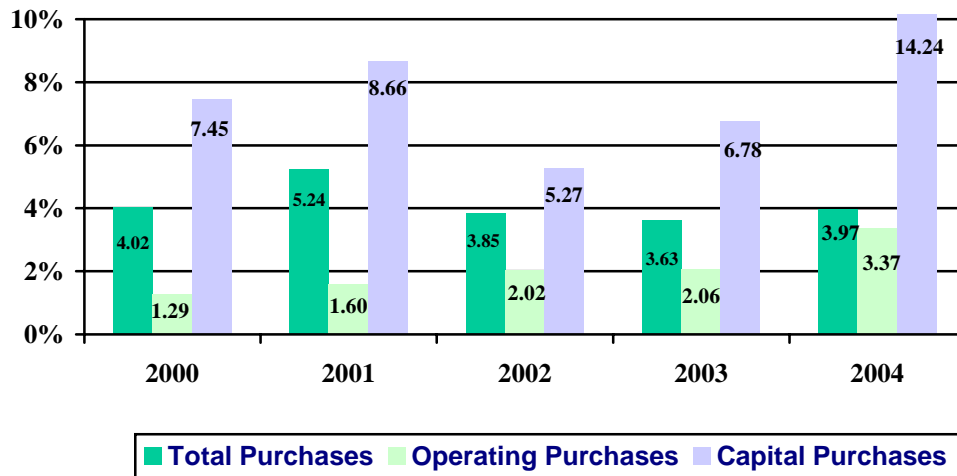




Key Charts, Graphs and Data Tables, continued...

Objective: Increase annually the percent of purchases from minority and women owned businesses

**Percent of State Government Purchases from Women
Business Enterprises**



**Percent of State Government Purchases from Minority
Business Enterprises**

